



Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Robert L. Ehrlich, Jr., Governor – Michael S. Steele, Lt. Governor – S. Anthony McCann, Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM

Model Waiver Program Transmittal No. 23

EPSDT: Private Duty Nursing Services Transmittal No. 10

Home Health Transmittal No. 43

July 3, 2006

TO: Model Waiver Nursing Providers
EPSDT Private Duty Nursing Providers
Home Health Agencies

FROM:  Mark A. Leeds, Director
Long Term Care and Community Support Services

NOTE: Please ensure that the appropriate staff members in your organization are informed of the contents of this transmittal.

RE: Amendment to COMAR 10.09.53 Early and Periodic Screening, Diagnosis, and Treatment: Private Duty Nursing

The Maryland Medical Assistance Program has adopted amendments to Regulation .07 under COMAR 10.09.53 Early and Periodic Screening, Diagnosis, and Treatment: Private Duty Nursing, effective July 1, 2006.

The amendments implement a rate increase for private duty nursing services to \$31.00 per hour, establish a methodology for determining fees in future fiscal years, and establish quarter-hour units of service in order to reflect HIPAA standards. The new regulations are attached.

Attachment



Description	Maximum Fee
(ii) One hour of nursing services provided to two or more participants in the same residence by an individual nurse enrolled as a home care provider	\$27,
(iii) One half hour of nursing services provided to one participant by an individual nurse enrolled as a home care provider	\$9,
(iv) One half hour of nursing services provided to two or more participants in the same residence by an individual nurse enrolled as a home care provider	\$13.50,
(v) One hour of nursing services provided to one participant by a nursing agency enrolled as a home care provider	\$23.40,
(vi) One hour of nursing services provided to two or more participants in the same residence by a nursing agency enrolled as a home care provider	\$32.40,
(vii) One half hour of nursing services provided to one participant by a nursing agency enrolled as a home care provider	\$11.70,
(viii) One half hour of nursing services provided to two or more participants in the same residence by a nursing agency enrolled as a home care provider	\$16.20;

(c) The lower of] provided under COMAR 10.09.53, or the provider's customary charge to the general public [or the Department's fee schedule], whichever is lower.

(4) — (5) (text unchanged)
 (6) Payments for home health aide and certified nursing assistant services shall be:

(a) Made only to qualified providers of home health aide and certified nursing assistant services as specified in these regulations;

(b) Made, effective July 1, 2006, according to the following fee schedule for home care home health aide and certified nursing assistant services regardless of place of delivery:

Description	Maximum Fee
(i) [One hour] 15 minutes of home health aide or certified nursing assistant services provided to one participant	[\$11.20,] \$3.40;
(ii) [One hour] 15 minutes of home health aide or certified nursing assistant services provided to each of two or more participants in the same residence	[\$15.50,] \$2.36;
[(iii) One half hour of home health aide services provided to one participant	\$5.60,
(iv) One half hour of home health aide services provided to two or more participants in the same residence. .	\$7.75;]
(c) (text unchanged)	

(7) Effective July 1, 2007, the fee schedule rates in §C(6)(b) of this regulation shall be adjusted annually by adjusting the fee by the percentage of the annual increase or decrease in the March Consumer Price Index for All Urban Consumers, medical care component, Washington-Baltimore, from the U.S. Department of Labor, Bureau of Labor Statistics.

D. (text unchanged)

S. ANTHONY McCANN
Secretary of Health and Mental Hygiene

Subtitle 09 MEDICAL CARE PROGRAMS
10.09.53 Early and Periodic Screening, Diagnosis, and Treatment: Private Duty Nursing

Authority: Health-General Article, §§2-104(b), 15-103, and 15-105, Annotated Code of Maryland

Notice of Proposed Action
[06-090-P]

The Secretary of Health and Mental Hygiene proposes to amend Regulation .07 under COMAR 10.09.53 Early and Periodic Screening, Diagnosis, and Treatment: Private Duty Nursing.

Statement of Purpose

The purpose of this action is to update the payment information to reflect Health Insurance Portability and Accountability Act (HIPAA) compliant calculation for units of service, to increase reimbursement, and to establish a methodology for determining fees for private duty nursing in future fiscal years.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact. The Department proposes to increase the rate of reimbursement for private duty nursing services from \$28.20 per hour to \$31 per hour beginning July 1, 2006. Providers enrolled to render these services have experienced increased expenses since the last rate increase provided in 2000. The Department covers private duty nursing services under this chapter to individuals who are assessed at a nursing facility level of care. The services are provided to these individuals to support them in the community in lieu of institutionalization.

II. Types of Economic Impact.	Revenue (R+/R-)	Expenditure (E+/E-)	Magnitude
A. On issuing agency:	(E+)		\$8,644,715
B. On other State agencies:	NONE		
C. On local governments:	NONE		
	Benefit (+)		
	Cost (-)		Magnitude
D. On regulated industries or trade groups:			
Shift Private Duty Nursing	(+)		\$8,644,715
E. On other industries or trade groups:			
F. Direct and indirect effects on public:	NONE		

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A. Under the proposed amendment payment per hour increases from \$28.20 to \$31. It is projected that the Medicaid Program will pay for 2,137,602 hours of care in fiscal year 2007. Of those hours, 94,306 are hours of care that would not have been delivered to recipients were it not for this rate increase.

D. Private duty nursing providers will benefit from higher payment rates and will deliver more hours of care as described in A, above.

Economic Impact on Small Businesses

The proposed action has a meaningful economic impact on small businesses. An analysis of this economic impact follows.

The increased rate of reimbursement will enable small business providers to deliver a greater percentage of authorized services to Medicaid recipients and assist in defraying provider expenses which have increased over the past 5 years. An increase reimbursement rate will also enable the providers to recruit additional nurses to render the authorized services to Medicaid clients living in the community versus an institution.

Impact on Individuals with Disabilities

The proposed action has an impact on individuals with disabilities as follows:

The proposed action will have a positive effect on individuals with disabilities. Clients served under this chapter are medically fragile individuals who receive community-based services in lieu of institutionalization. The proposed increase in reimbursement will increase access and availability of services authorized for this population.

Opportunity for Public Comment

Comments may be sent to Michele Phinney, Regulations Coordinator, Department of Health and Mental Hygiene, Room 521, 201 West Preston Street, Baltimore, Maryland 21201, or fax to (410) 333-7687, or email to regs@dhmh.state.md.us, or call (410) 767-6499 or 1-877-4MD-DHMH extension 6499. These comments must be received by May 30, 2006.

.07 Payment Procedures.

- A. (text unchanged)
- B. [Payment] *Effective July 1, 2006, payment to a provider of private duty nursing services may not exceed the following fee schedule:*
 - (1) (text unchanged)
 - (2) [\$28.20 per hour] \$7.75 for 15 minutes of skilled nursing services provided to one participant; and
 - (3) [\$39 per hour] \$5.35 for 15 minutes of skilled nursing services provided to each of two or more participants in the same residence[.];
 - [(4) \$14.10 per half-hour for skilled nursing services provided to one participant; and
 - (5) \$19.10 per half-hour for skilled nursing services provided to two or more participants in the same residence.]
- C. (text unchanged)
- D. *Effective July 1, 2007, the fee schedule rates in §B(2) and (3) of this regulation shall be adjusted annually by adjusting the fee by the percentage of the annual increase or decrease in the March Consumer Price Index for All Urban Consumers, medical care component, Washington-Baltimore, from the U. S. Department of Labor, Bureau of Labor Statistics.*

[D.] E. (text unchanged)

S. ANTHONY McCANN
Secretary of Health and Mental Hygiene

Subtitle 09 MEDICAL CARE PROGRAMS

10.09.54 Home/Community Based Services Waiver for Older Adults

Authority: Health-General Article, §§2-104(b), 15-103, 15-105, and 15-132, Annotated Code of Maryland

Notice of Proposed Action
(06-086-P)

The Secretary of Health and Mental Hygiene proposes to amend Regulations .05 and .33 under **COMAR 10.09.54 Home/Community Based Services Waiver for Older Adults.**

Statement of Purpose

The purpose of this action is to modify the rate increase methodology for provider reimbursement for Fiscal Year 2007 and reduce the daily payment for assisted living services when assisted living residents receive medical day care services on the same day.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact. The amendments will reduce the increase in provider reimbursement rates established for Fiscal Year 2007 by 1/3 saving approximately \$568,000 total funds (\$284,000 in general funds). Additionally, the proposal to reduce reimbursement for assisted living services will save approximately \$1,800,000 in total funds (\$900,000 in general funds).

II. Types of Economic Impact.	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	(E-)	\$2,368,000
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:	(-)	\$2,368,000
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A. Reimbursement rates for Older Adults Waiver providers increase annually according to a methodology specified in regulation. It is anticipated that rates would have increased by 2.5 percent under this methodology. Under the proposed amendment, the rate increase will be limited to 1.7 percent. In FY2007, Medicaid expenditures for waiver services under the current methodology are projected to be approximately \$71,000,000. By reducing the provider rate increase by 1/3, the Department will save \$568,000 in total funds (\$284,000 in general funds).

In addition, the daily payment rate for assisted living providers when assisted living residents receive medical day care services will be reduced by 25 percent. This will reduce projected reimbursement by an average of \$15.83 per day on approximately 110,000